United Nations A/56/945

General Assembly

Distr.: General
16 May 2002

Original: English

Fifty-sixth session
Agenda item 136
Financing of the United Nations Transitional Administration in East Timor

Financial performance report of the United Nations Transitional Administration in East Timor for the period from 1 July 2000 to 30 June 2001 and proposed budget of the United Nations Mission of Support in East Timor for the period from 1 July 2002 to 30 June 2003

Report of the Advisory Committee on Administrative and Budgetary Questions*

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the financial performance of the United Nations Transitional Administration in East Timor (UNTAET) for the period from 1 July 2000 to 30 June 2001 (A/56/922) and the proposed budget of the proposed successor mission, the United Nations Mission of Support in East Timor (UNMISET), for the period from 1 July 2002 to 30 June 2003 (A/56/932).

2. UNTAET was established by the Security Council in its resolution 1272 (1999) of 25 October 1999 for an initial period until 31 January 2001. By its resolution 1338 (2001) of 31 January 2001, the Council extended the mandate of UNTAET until 31 January 2002, stressed, among other things, the need for a substantial international presence in East Timor after independence and requested the Secretary-General to make detailed recommendations in that regard within six months of the adoption of the resolution. On 31 January 2002, by its resolution 1392 (2002), the Council decided to extend the mandate of UNTAET until the date of independence, 20 May 2002.

3. The Secretary-General has outlined plans for the successor mission to UNTAET in a number of reports to the Security Council, the latest of which is contained in document S/2002/432 and Add.1 (see also S/2001/719, S/2001/983 and Corr.1 and S/2002/80 and Corr.1). In his report to the Council, the Secretary-General proposed a mandate for the mission, as well as a comprehensive mandate implementation plan for the United Nations Mission of Support in East Timor (UNMISET) (S/2002/432, paras. 64 and 69-98). The proposed budget of UNMISET (A/56/932) is based on that plan and on the assumption that the Council would approve the plan, establish UNMISET and entrust it with the mandate outlined in the report of the Secretary-General to the Security Council. The Advisory Committee notes that the Security Council has yet to consider the Secretary-General's proposal. **The Committee considered the proposed budget of**

* The performance report for UNTAET and proposed budget for UNMISET were considered by the Advisory Committee on 9 and 10 May 2002 on the basis of advance texts in English. The Advisory Committee's draft report was approved by it on 16 May 2002 and sent for processing on that date.

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UNMISET on the basis of the above assumption and on the understanding that should modifications be made pursuant to decisions of the Security Council, the Secretary-General would report to the General Assembly no later than September 2002.

Financial performance report for the period from 1 July 2000 to 30 June 2001

4. By its resolution 55/228 A of 23 December 2000, the General Assembly appropriated an amount of $563 million gross ($546,051,600 net) for the operation of UNTAET for the period from 1 July 2000 to 30 June 2001, inclusive of the amount of $292,069,000 gross ($283,688,500 net) authorized by the Assembly in its resolution 54/246 C of 15 June 2000. As indicated in the report of the Secretary-General on the financial performance of UNTAET (A/56/922, para. 12), expenditures for the period totalled $527,587,900 gross ($513,143,900 net), inclusive of $191,803,400 in unliquidated obligations. In addition, budgeted voluntary contributions amounting to $60,000 were provided during the reporting period. The resulting unencumbered balance of $35,412,100 gross ($32,907,700 net) represents, in gross terms, approximately 6 per cent of the appropriation.

5. As indicated in annex II to the performance report, the unutilized balance was attributable primarily to reduced requirements under civilian personnel, premises/accommodation, infrastructure repairs, transport operations, naval operations, communications and other equipment, offset in part by additional requirements for consultants, general temporary assistance, air operations, supplies and services and air and surface freight.

6. The Advisory Committee points out that although the underexpenditure of $35,412,100 represents 6 per cent of the appropriation for the period, taken together with the $29.4 million reduction in the original estimate of $592.4 million (see A/55/443 and Corr.1-3), recommended by the Committee in its report of 30 October 2000 (A/55/531, para. 62), the percentage of originally requested resources that were not required amounts to approximately 11 per cent. In this connection, the Committee has noted a number of weaknesses related to budget formulation and implementation, as indicated below.

7. **Additional information provided to the Advisory Committee shows instances of shortcomings in the monitoring and recording of expenditures by the Secretariat.** For example, the Committee notes, in particular, that overexpenditures under military personnel for standard troop cost reimbursement ($2,594,300) and clothing and equipment allowance ($299,500) relate to excess obligations of $2.7 million and $310,000 respectively, which was revealed after the completion of comprehensive adjustments and revisions in troop strength reports relating to the previous financial period and the 2000/01 period. The Committee has commented on the need to improve the process of compiling and reporting on troop strength in its general report on peacekeeping operations (A/56/887, para. 32).

8. **The Advisory Committee is also of the view that the $19,024,000 shown in paragraph 15 (b) of the performance report as other income for the cancellation of prior period obligations indicates a tendency to obligate funds without an adequate analysis of the need for such obligations.**

9. The Advisory Committee was informed that the cash position of UNTAET as at 29 April 2002 amounted to $176.2 million and that unliquidated obligations for the period from 1 July 2000 to 30 June 2001 as at 31 March 2002 amounted to $81.5 million, of which $70.6 million was Government-related and $10.9 million was not. The Committee was also informed that the total amount assessed on Member States in respect of UNTAET since its inception amounted to $1,281.3 million, and that, as at 30 April 2002, payments received totalled $1,180.3 million, or approximately 92 per cent of the amount assessed. The Committee recalls that as at 30 June 2001, unliquidated obligations amounted to $109.8 million. One year later, the amount of unliquidated obligations still stands at $81.5 million, despite the fact that the cash position of UNTAET is so favourable.

10. **It appears to the Advisory Committee that the processing of liquidations for UNTAET takes an unduly long period of time, indicating a need to improve the process of reviewing and paying claims. This process should include both troop-contributing countries and the Administration. In this connection, the Committee recalls the recommendation of the Board of Auditors in its report on United Nations peacekeeping operations**

that the Administration intensify its efforts to address the delays in processing and certifying claims for payment to troop-contributing countries.[1]

11. The Advisory Committee was further informed that an amount of $208.7 million had been reimbursed for troop costs to troop-contributing countries for the period from 1 February 2000 to 31 January 2002, and that $14.6 million was owed for the period from 1 February to 31 March 2002. In respect of death and disability claims, as at 31 March 2002 an amount of $769,503 had been paid for 23 claims for the period ending 30 June 2002, unliquidated obligations amounted to $3.7 million, and 58 claims were pending.

12. The Advisory Committee was informed that, as at 29 April 2002, only $16.6 million had been reimbursed for contingent-owned equipment for the period ending 30 June 2002, while an estimated amount of $158.3 million was owed. Upon enquiry, the Committee was informed that this was due to delays in the signing of memorandums of understanding. **The efficiency of the processing of claims for contingent-owned equipment needs to be improved.**

13. **As indicated above, the performance report shows instances of substantial under- and overexpenditure. In the opinion of the Advisory Committee, the explanations as to the reasons therefor are not always satisfactory. Both under- and overexpenditures point to the need for better planning and, in some cases, improved efficiency in procurement and contract management.** In connection with the latter, the Committee was informed, for example, of an underexpenditure of $154,400 under alteration and renovation of premises owing to the non-implementation of three planned projects. Upon enquiry, the Committee was informed that the bidding and contracting processes could not be completed on time and that the projects were therefore not implemented. The Committee was also informed of an overexpenditure of $578,800 under premises and accommodation for maintenance supplies, but no adequate explanation was provided in the performance report.

14. In connection with procurement, the Advisory Committee notes that the unutilized balance of $6,010,300 under communications was due largely to the cancellation of the procurement of 1,100 mobile asset locator units for UNTAET vehicles (see A/56/922, annex II, para. 26). Upon enquiry, the Committee was informed that the implementation of the system had been abandoned because a pilot project had shown it to be very expensive. In this connection, the Committee recalls that the same thing had happened in the United Nations Mission in Ethiopia and Eritrea (see A/56/887/Add.9, para. 18). **In the opinion of the Committee, an adequate evaluation of the need for the system, as well as a market survey and technical assessment, should have been completed prior to a request being made for funds to implement the project.**

15. The Advisory Committee notes that the unspent balance of $12,366,600 under civilian police was attributable largely to lower average deployment of personnel during the reporting period, coupled with a reduction in the mission subsistence allowance rate from $109 to $95 per day effective 1 February 2001 (see A/56/922, annex II, para. 6). Savings of $6,775,100 under international and local staff were due primarily to a lower average grade level of international staff than was budgeted, higher than estimated vacancy rates for local staff (the average vacancy rate was 11 per cent, whereas a vacancy factor of 5 per cent had been budgeted) and lower requirements for common staff costs for mission appointees, offset in part by additional requirements for consultants, general temporary assistance and official travel.

16. As indicated in the performance report (A/56/922, annex II, para. 11), total requirements for general temporary assistance for the period amounted to $1,503,100 against an apportionment of $60,000. The Advisory Committee was informed that the overexpenditure of $1,443,100 was related to the employment of 880 short-term staff (365 security guards, 265 cleaners and 250 other building maintenance workers) to provide services to premises in Dili and in the 13 districts.

17. Under consultants, against the apportionment of $200,000, total requirements amounted to $3,087,000. The overexpenditure of $2,887,000 related to the hiring of 98 consultants in various fields of expertise in support of the East Timor Transitional Administration and UNTAET (ibid., para. 10). In addition, the overexpenditure of $1,217,800 under mission subsistence allowance includes $937,800 for the payment of mission subsistence allowance to consultants (ibid., para. 12). The total requirements for

contractual services amounted to $7,294,200, against an apportionment of $6,730,800; additional requirements of $563,400 related to the settlement of $1.7 million in outstanding charges related to the 1999/2000 financial period and to catering services for a 200-person transit camp, as well as medical treatment and services, data-processing services and bank charges (ibid., para. 31).

18. **The Advisory Committee is of the view that the overexpenditure cited above could have been avoided through better budget preparation. In this connection, the Committee recalls its comment in its general report on peacekeeping operations, in which it drew attention to the fact that, even though the General Assembly authorized the Secretary-General to exercise flexibility in implementing the overall budget of peacekeeping missions, that flexibility must be exercised in a manner that does not call into question the basis on which the initial estimates were prepared and submitted to the Assembly (A/56/887, para. 19).**

19. **The treatment of staff costs in both the performance report (A/56/922) and the proposed budget (A/56/932) should be reviewed to ensure that the procedures followed conform to United Nations practice.** Staff costs for posts in UNTAET have been charged to various objects of expenditure, including general temporary assistance, consultants and contractual services, as well as to international and local staff salaries. **The Committee points out that this practice weakens internal control and complicates accounting and reporting. The use of general temporary assistance for ongoing functions is a departure from the purposes for which it is intended, namely, to handle brief periods of peak workload and to replace staff on maternity and sick leave. Similarly, consultants are to provide specific expertise that is not otherwise available through the use of United Nations staff within a prescribed time frame.**

20. The Advisory Committee notes the overexpenditure of $1,057,200 for official travel (A/56/922, annex II, para. 13). **The amount of travel undertaken during the reporting period appears to the Committee to be excessive, especially travel from Headquarters (see also para. 48 below).**

21. The Advisory Committee notes the underexpenditure of $1.9 million for United Nations Volunteers (ibid., para. 14), owing to the slower than expected deployment of Volunteers, resulting in an average vacancy rate of 32 per cent. **In view of the fact that the use of United Nations Volunteers is resorted to precisely when there is a need to deploy quickly, the delayed deployment should have been explained fully.**

22. The Advisory Committee notes the considerable underutilization of flying hours reported for both helicopters and fixed-wing aircraft. Of a total of 13,875 planned hours for 22 helicopters, actual hours flown totalled 12,381 for 21 helicopters, representing 89 per cent utilization of planned hours; of 4,500 planned hours for five fixed-wing aircraft, a total of 3,146 hours were flown, representing 70 per cent utilization (ibid., paras. 21-22); (see also para. 44 below).

23. The action to be taken by the General Assembly in connection with the financing of UNTAET for the period from 1 July 2000 to 30 June 2001 is indicated in paragraph 15 of the performance report. **The Advisory Committee recommends that the unencumbered balance of $35,412,100 gross ($32,907,700 net) for the period from 1 July 2000 to 30 June 2001, as well as interest and other income in the amount of $29,140,000, be credited to Member States in a manner to be determined by the General Assembly.**

Information on performance for the current period

24. The Advisory Committee was provided with expenditure data for the period from 1 July 2001 to 30 June 2002 (see annex I). As at 31 March 2002, expenditure for the period amounted to $401,154,900, against an apportionment of $455,000,000 (excluding provisions for the support account for peacekeeping operations and the United Nations Logistics Base at Brindisi, Italy).

25. The Advisory Committee was also provided with information concerning positions encumbered as at 30 April 2002, which is set out in the accompanying table.

Category	*Authorized*	*Encumbered*	*Vacancy rate (percentage)*
Military contingents	8 950	6 506	27[a]
Military observers[b]	200	120	40[a]
Civilian police	1 350	1 041	23
Civilian police (formed units)[c]	290	239	18
International staff	1 210	695	43
Local staff	2 021	1 717	15
United Nations Volunteers	700	600	14

[a] Delayed deployment rate.

[b] The budget was based on a phased reduction to 120 by 30 June 2001.

[c] Vacancy relates to the non-deployment since inception of a 50-person marine police unit.

Cost estimates for the period from 1 July 2002 to 30 June 2003

26. As indicated in the proposed budget of the United Nations Mission of Support in East Timor (A/56/932, para. 1), estimated requirements for the Mission are based on the mandate implementation plan for the successor mission, as outlined in the report of the Secretary-General to the Security Council dated 17 April 2002 (S/2002/432 and Add.1) and on the assumption that the Security Council would approve the plan, establish UNMISET and entrust it with a mandate as described in the report (see also para. 3 above and A/56/932, paras. 5-13). Accordingly, as indicated in paragraph 3 above, the present report of the Advisory Committee is based on the same assumption.

27. The proposed mandate of the United Nations Mission of Support in East Timor is: (a) to provide assistance that is crucial for the stability of East Timor and the viability of its emergent public administration; (b) to assist in the development of a law enforcement agency in East Timor operating in accordance with international human rights standards; and (c) to contribute to the maintenance of external and internal security (see S/2002/432, para. 64). The Secretary-General also proposes a mandate implementation plan consisting of three key programmes: stability, democracy and justice; internal security and law enforcement; and external security and border control (ibid., sect. III.A). The Mission would ensure that all operational responsibilities were fully devolved to the East Timorese authorities through a phase-out process to be carried out over a two-year period (ibid., annexes I-IV).

28. The proposed budget for the operation of UNMISET for the period from 1 July 2002 to 30 June 2003 amounts to $318,490,200 gross ($309,254,400 net), inclusive of budgeted voluntary contributions in kind in the amount of $60,000. This amount represents a 30-per-cent decrease ($136.6 million) in gross terms in relation to the apportionment of $455 million approved by the General Assembly in its resolution 56/249 of 24 December 2001 for the operation of UNTAET for the period from 1 July 2001 to 30 June 2002. The proposed budget reflects decreases of $63,143,500, or 32 per cent, in military personnel costs; $56,810,800, or 35.6 per cent, in civilian personnel costs; $11,965,800, or 14.3 per cent, in operational requirements; $1,305,100, or 74.1 per cent, under other programmes; and $3,344,600, or 26.6 per cent, under staff assessment (see A/56/932, paras. 2 and 3 and table 1).

29. The Mission would be headed by the Special Representative of the Secretary-General, assisted by a Deputy Special Representative who would also be the Resident Coordinator of the United Nations Development Programme in East Timor. The Mission would include civilian, police and military components. The headquarters of UNMISET would be located in Dili, with regional offices to be maintained in Dili, Baucau, Oecussi, Maliana and Suai. Liaison offices in Denpasar and Jakarta and the logistical/administrative rear base in Darwin, Australia, would also be maintained. The Office of the Special Representative would include focal points for gender affairs and HIV/AIDS. The civilian component would comprise a group of experts to provide assistance to the emergent Government (the Civilian Support Group), a Serious Crimes Unit and a Human Rights Unit (see ibid., para. 13).

30. **The Advisory Committee commends the Secretariat and UNTAET for the efforts they have made to formulate an implementation plan and an exit strategy. In this connection, the Committee recognizes the difficult circumstances under which the budget for UNMISET has been prepared. Nevertheless, it is of the opinion that more could have been done to translate the implementation plan set out in document S/2002/432 and Add.1 into**

an operational budget. For example, the Committee notes that the estimates contain no overall plan for the drawdown of civilian staff.[2] In this connection, the Committee recalls its previous comment that the provision of detailed plans to the Security Council does not obviate the need to fully justify resource requirements in documentation submitted to the General Assembly (A/56/7/Add.8, para. 6).

31. The proposed budget for the downsizing of the peacekeeping force in four phases over two years, ending in June 2004. The budget period under review would cover two phases, which reflect the phased reduction of the military component from 5,000 personnel, including 120 military observers, in July 2002 to 3,870 personnel by December 2002 (A/56/932, para. 11). Upon request, the Advisory Committee was provided with details concerning the planned deployment of military personnel for the period from 1 July 2002 to 30 June 2003 (see annex II below and S/2002/432, annex IV). The Committee notes from the report of the Secretary-General to the Security Council that the target strength of the East Timor Defence Force is 1,500 regular soldiers, supported by a reserve of a further 1,500 (see S/2002/432, para. 23).

32. Initially, the civilian police component would comprise 1,010 personnel, to be gradually reduced to 500 by the end of the budget period, with the progressive development of the East Timorese Police Service (see A/56/932, para. 10 and annex I.C, para. 9, and S/2002/432, annex III).

33. The estimated requirement of $102,770,800 under civilian personnel costs represents a decrease of $56,810,800, or 35.6 per cent, as compared with the apportionment for UNTAET for the period ending 30 June 2002 and provides for a total of 1,673 civilian personnel (455 international staff, 977 local staff and 241 United Nations Volunteers), which is a reduction of 2,258 posts (755 international staff, 1,044 local staff and 459 United Nations Volunteers) as compared with the current authorized level for UNTAET (see A/56/932, table 1 and sect. VIII).

34. **The Advisory Committee stresses the importance of the conclusion of a formal agreement between the United Nations and independent East Timor with respect to the expectation that the Mission would end as proposed by the Secretary-General and approved by the Security Council. In this connection, the Committee was informed that two agreements were under preparation, on the executive police function and on the peacekeeping military function, to be signed upon independence on 20 May. The Committee welcomes this development.**

35. The proposed establishment of the Civilian Support Group, comprising 100 experts/advisers who would provide support and guidance to the Government in such areas as financial and central services, internal systems in various ministries, essential services and the legal/justice systems is explained in paragraphs 8, 28 and 29 of the proposed budget. The Civilian Support Group is to comprise 8 United Nations Volunteers and 92 experts at a cost of approximately $12.9 million.

36. Of the 92 experts/advisers, 24 are included in the cost estimate for consultants at an estimated cost of $3.6 million, and 68 are included under general temporary assistance at an estimated cost of $9.1 million. The Advisory Committee was informed that the estimated cost of the 8 United Nations Volunteers was $252,300. Five of the experts are to be co-funded by the International Monetary Fund. **While the Committee considers appropriate the funding of experts under the budget item for consultants, it questions the use of general temporary assistance funds, which are intended to be used for periods of peak workload and for the replacement of staff on maternity and sick leave (see para. 19 above).**

37. The Advisory Committee notes from the report of the Secretary-General to the Security Council that the recruitment of the 100 experts/advisers for the Civilian Support Group is under way (see S/2002/432, paras. 71 and 72). The Committee was informed that 66 candidates had been identified for recruitment. Upon request, the Committee was provided with a list of functional titles and indicative levels of the experts/advisers (see annex III).

38. The establishment of an office comprising one P-4, two P-3 and one General Service (Other level) posts is proposed to manage the Civilian Support Group (see A/56/932, paras. 8 and 29 and annex V.A). **The Advisory Committee questions the necessity of establishing a special unit within UNMISET to manage the Civilian Support Group.**

39. The Advisory Committee notes that the increase in the staffing of the Serious Crimes Unit, the Public Defender's Office and Special Panels (formerly the Serious Crimes Unit) from 24 to 60 posts would reflect

the consolidation of judges, prosecutors, public defenders and other specialists working on serious crimes into one group (see ibid., paras. 24 and 27). A description of the progress of work of the unit is given in the report of the Secretary-General to the Security Council (S/2002/432, paras. 34 and 35). **The Committee commends the Mission for its achievements in this area and requests that an assessment of lessons learned be made for the benefit of other missions.**

40. **The Advisory Committee recommends that the Mission begin work as soon as possible on lessons learned, and suggests that, in addition to the assessment to be made in connection with paragraph 39 above, areas to be looked at could include gender mainstreaming and preparations for handing over public information activities.**

41. The Advisory Committee notes that the staffing of the Human Rights Unit is to be reduced from 58 to 30 posts, and that the Unit is to have field presence. Proposed activities of the Unit are outlined in the report of the Secretary-General to the Security Council (see A/56/932, para. 24 and S/2002/432, para. 67).

42. The authorized staffing of the Division of Administration of UNTAET for the current period is 2,449. **The administrative component of UNMISET, proposed at 1,321 (see A/56/932, sect. VIII), appears to the Advisory Committee to be unduly large and should be reviewed so as to achieve greater efficiency.**

43. Upon enquiry concerning the proposed increase of 43 United Nations Volunteers for the Division (ibid., paras. 21 and 34), the Advisory Committee was informed that this was related to the withdrawal of the Force Logistics Squadron provided by the Australian contingent, comprising 145 personnel. **The Committee is of the opinion that, in a mission that is downsizing, such withdrawal of personnel could have been compensated for without additional personnel.**

44. With regard to air operations, the Advisory Committee observes that the proposed changes in the aircraft fleet are minimal. For the current period, the UNTAET fleet consists of 21 helicopters and 4 fixed-wing aircraft; the proposal for UNMISET is for 19 helicopters, to be reduced to 17 for the period from January to June 2003, and 2 fixed-wing aircraft (see ibid., annex I.C, para. 30). The Committee was provided with details concerning air operations costs and estimated flight hours for both UNTAET and UNMISET (see annex IV). **The Committee recommends that, in order to maximize efficiency, the composition of the air fleet, including the need for heavy-lift capability, be kept under review. In addition, in view of the underutilization of flying hours consistently reported for UNTAET (see para. 22 above), the Committee is of the opinion that the estimate for air operations ($43,069,800) could be adjusted downward.**

45. The proposed vehicle fleet for UNMISET is 950 United Nations vehicles and 1,257 contingent-owned vehicles (see A/56/932, annex I.C, para. 27). It appears to the Advisory Committee that the ratios used by the Mission to determine the size of fleet needed have resulted in the excessive retention of vehicles. **The estimate for transport operations ($5,088,700) could therefore be adjusted downward.**

46. The Advisory Committee notes that the estimate of $209,000 for training of 192 Mission personnel (see ibid., para. 46) represents an increase of 68 per cent over the provision for UNTAET for the period ending 30 June 2002. **In this connection, the Committee questions such an increase and recalls its statement in its general report on peacekeeping operations that it remained concerned about what appeared to be unwarranted overexpenditure in training activities in some missions, even in cases where the mission should begin to plan to downsize (A/56/887, para. 74).**

47. The Advisory Committee notes that an amount of $685,400 is estimated for other travel (see A/56/932, annex II.A, item 18). **Bearing in mind its comments on the performance report in paragraph 18 above, the Committee expects that strict controls will result in savings.**

48. The Advisory Committee notes that, travel costs for civilian police are estimated at $2,250 per one-way trip (see ibid., item 2). The performance report for UNTAET for the period from 1 July 2000 to 30 June 2001 showed that travel costs for civilian police had been overestimated for the period. According to the additional information provided to the Committee, the actual cost of one-way travel was $1,045. **This expenditure should be carefully monitored.**

49. The Advisory Committee also notes that estimated requirements for data-processing services

have increased substantially, from $20,833 per month to $37,167 (see ibid., item 49). **The reasons for this increase should be provided to the Fifth Committee.**

50. The estimate for communications costs has increased from $3.9 million to $4.1 million (see ibid., annex I). Within that estimate, the cost of a new transponder lease is estimated at $15,417 per month (ibid., annex II.A, item 45). **The Advisory Committee requests that clarification of that requirement be provided to the Fifth Committee.** Also under commercial communications, local telephone charges have increased from $1,677 to $12,000 per month. Upon enquiry, the Committee was informed that the item had previously been underbudgeted.

51. The Advisory Committee notes that the estimate for hire/charter costs under naval operations has increased from $1.09 million to $1.10 million, owing to a change in contract (ibid., item 43). Upon enquiry, the Committee was informed that the previous vendor had reneged on services and that the contract had had to be cancelled. The Committee enquired as to whether any penalty had been incurred, but received no clear answer. **The Committee requests that this information be provided to the Fifth Committee.**

52. The action to be taken by the General Assembly in connection with the financing of UNMISET for the period from 1 July 2002 to 30 June 2003 is indicated in paragraph 4 of the proposed budget. **Taking into account its comments and observations in the present report, in particular paragraphs 38 and 42 to 47, the Advisory Committee recommends the appropriation and assessment of an amount of $292 million gross for the operation of UNMISET for the period from 1 July 2002 to 30 June 2003, subject to a decision of the Security Council regarding the mandate of the Mission. The recommended amount reflects a reduction of 8 per cent of the amount proposed by the Secretary-General. The Committee also recommends approval of the use for UNMISET of the special account established for UNTAET.**

Notes

[1] *Official Records of the General Assembly, Fifty-sixth Session, Supplement No. 5* (A/56/5), vol. II, chap. II, para. 83.

[2] Upon enquiry, the Advisory Committee was informed that implementation plans were under preparation for the Serious Crimes and the Human Rights Units. Information on the phasing down of the Civilian Support Group is contained in annex II to the report of the Secretary-General to the Security Council (S/2002/432 and Add.1).

Annex I

United Nations Transitional Administration in East Timor: status of expenditures for the period from 1 July 2001 to 30 June 2002 (as at 31 March 2002)

(Thousands of United States dollars)

Category of expenditures		*Apportionment*[a]	*Unliquidated obligations*	*Expenditures*	*Unencumbered balance*
I.	**Military personnel**	197 502.3	95 208.1	188 031.9	**9 470.4**
II.	**Civilian personnel**	159 581.6	2 699.8	127 260.5	**32 321.1**
III.	**Operational requirements**				
	Premises/accommodation	3 542.4	554.1	4 358.0	(815.6)
	Infrastructure repairs	1 700.0	618.8	1 072.2	627.8
	Transport operations	5 469.2	689.4	5 420.9	48.3
	Air operations	54 268.0	16 598.7	47 491.6	6 776.4
	Naval operations	710.5	151.3	659.2	51.3
	Communications	3 888.0	740.7	2 661.5	1 226.5
	Other equipment	1 013.2	112.7	708.6	304.6
	Supplies and services	10 882.4	3 983.0	9 215.8	1 666.6
	Air and surface freight	2 100.0	424.8	2 600.6	(500.6)
	Subtotal, category III	**83 573.7**	**23 873.5**	**74 188.4**	**9 385.3**
IV.	**Other programmes**				
	Election-related supplies and services	1 200.0	22.4	802.3	397.7
	Public information programmes	430.0	95.2	243.1	186.9
	Training programmes	132.0	5.4	101.2	30.8
	Mine-clearing programmes	-	-	-	-
	Assistance for disarmament and demobilization	-	-	-	-
	Subtotal, category IV	**1 762.0**	**123.0**	**1 146.6**	**615.4**
V.	**United Nations Logistics Base at Brindisi**	-	-	-	-
VI.	**Support account for peacekeeping operations**	-	-	-	-
VII.	**Staff assessment**	12 580.4	-	10 527.5	2 052.9
	Total, categories I-VII	**455 000.0**	**121 904.4**	**401 154.9**	**53 845.1**
VIII.	**Income from staff assessment**	(12 580.4)	-	(10 527.5)	(2 052.9)
	Net total	**442 419.6**	**121 904.4**	**390 627.4**	**51 792.2**
IX.	**Voluntary contributions in kind (budgeted)**	60.0	-	60.0	-
	Total resources	**455 060.0**	**121 904.4**	**401 214.9**	**53 845.1**

[a] Exclusive of provisions for the support account for peacekeeping operations and the United Nations Logistics Base at Brindisi, Italy.

Annex II

United Nations Mission of Support in East Timor: planned deployment of military personnel for the period from 1 July 2002 to 30 June 2003

Category	*Planned deployment of personnel*											
	31 July	*31 Aug.*	*30 Sept.*	*31 Oct.*	*30 Nov.*	*31 Dec.*	*31 Jan.*	*28 Feb.*	*31 March*	*30 April*	*31 May*	*30 June*
Military personnel												
Military observers	120	120	120	120	120	120	120	120	120	120	120	120
Military contingents												
Infantry	3 520	3 520	3 520	3 520	3 520	2 730	2 730	2 730	2 730	2 730	2 730	2 730
Support	1 210	1 210	1 210	1 210	1 210	900	900	900	900	900	900	900
Other	150	150	150	150	150	120	120	120	120	120	120	120
Subtotal	**4 880**	**4 880**	**4 880**	**4 880**	**4 880**	**3 750**	**3 750**	**3 750**	**3 750**	**3 750**	**3 750**	**3 750**
Total	**5 000**	**5 000**	**5 000**	**5 000**	**5 000**	**3 870**	**3 870**	**3 870**	**3 870**	**3 870**	**3 870**	**3 870**

Annex III

United Nations Mission of Support in East Timor
Civilian Support Group

	Functional title	*Office*	*Indicative level*
1	Senior Adviser to Cabinet Secretary	Council of Ministers	P-4
2	Legal Officer	Council of Ministers	P-3
3	Adviser to Prime Minister for Economic Planning	Office of the Prime Minister	P-5
4	Adviser to Prime Minister for Donor Coordination	Office of the Prime Minister	P-4
5	Policy/Administrative Officer	Office of the Prime Minister	P-3
6	General Manager[a]	Banking and Payments Authority	D-2
7	Deputy General Manager/Supervision[a]	Banking and Payments Authority	D-1
8	Deputy General Manager/Payments[a]	Banking and Payments Authority	D-1
9	Chief Accountant[a]	Banking and Payments Authority	D-1
10	Economist	Banking and Payments Authority	P-4
11	Accounting Officer	Banking and Payments Authority	P-4
12	Vault Custodian	Banking and Payments Authority	UNV
13	Settlements Supervisor	Banking and Payments Authority	P-4
14	Network Specialist	Banking and Payments Authority	P-4
15	Commissioner of Revenue[a]	Ministry of Finance	D-1
16	Deputy Commissioner of Revenue (Large Business)	Ministry of Finance	P-5
17	Tax Counsel of Revenue	Ministry of Finance	P-5
18	Adviser to Deputy Commissioner of Revenue (Operations)	Ministry of Finance	P-5
19	Tax Adviser/Large Business	Ministry of Finance	P-4
20	Tax Adviser/Compliance Audit	Ministry of Finance	P-4
21	Tax Adviser/Legal	Ministry of Finance	P-4
22	Controller of Customs	Ministry of Finance	D-1
23	Deputy Controller (Internal Affairs)	Ministry of Finance	P-4
24	Deputy Controller (Operations)	Ministry of Finance	P-4
25	Director of Treasury (Accountant General)	Ministry of Finance	D-1
26	Head, Budget Execution and Cash Management	Ministry of Finance	P-3
27	Head, Accounts and Payments	Ministry of Finance	P-4
28	Head, Debt and Asset Management	Ministry of Finance	P-3
29	Head, Internal Audit and Control	Ministry of Finance	P-4
30	Financial Analyst and Budget Control Officer	Ministry of Finance	P-3
31	National Budget Unit Officer	Ministry of Finance	P-3
32	Head, Agency Finance	Ministry of Finance	P-4
33	Accounting Operations Officer	Ministry of Finance	P-3
34	Central Payments and Revenue Officer	Ministry of Finance	P-3
35	Head, Central Payroll Unit	Ministry of Finance	P-3
36	District Finance Coordinator	Ministry of Finance	P-3
37	Adviser to Chief of Procurement	Ministry of Finance	P-5
38	Contracts Administration Adviser	Ministry of Finance	P-4
39	Procurement Adviser (Property)	Ministry of Finance	P-3
40	Procurement Adviser (Goods and Services)	Ministry of Finance	P-3
41	Supply Adviser	Ministry of Finance	P-3
42	Network Manager (Head of Information Technology Division)	Ministry of Finance	P-3

	Functional title	*Office*	*Indicative level*
43	Network Specialist	Ministry of Finance	P-2
44	Network Specialist	Ministry of Finance	UNV
45	Network Specialist	Ministry of Finance	UNV
46	Adviser to the Director of Budget	Ministry of Finance	P-5
47	Director of Administration	Ministry of Finance	D-1
48	Senior Legal Adviser	Ministry of Justice	P-5
49	Executive Secretary	Ministry of Justice	P-3
50	Finance/Administration Officer	Ministry of Justice	P-3
51	Prisons Adviser	Ministry of Justice	P-5
52	Land and Property Adviser	Ministry of Justice	P-5
53	Registry and Notary Adviser	Ministry of Justice	P-4
54	Court of Appeals Judge	Ministry of Justice	P-5
55	Court of Appeals Judge	Ministry of Justice	P-5
56	Public Prosecutor	Ministry of Justice	P-5
57	Court Clerk	Ministry of Justice	P-3
58	Court Clerk	Ministry of Justice	P-3
59	Public Defender	Ministry of Justice	P-4
60	Adviser to Legislative Assembly	Assembly	P-5
61	Adviser to Director General	Ministry of Internal Administration	P-5
62	Adviser for Immigration	Ministry of Internal Administration	P-4
63	Adviser for Local Government	Ministry of Internal Administration	P-5
64	Adviser for Public Administration	Ministry of Internal Administration	P-4
65	Adviser for the Public Service Academy	Ministry of Internal Administration	P-5
66	District Adviser (Oecussi)	Ministry of Internal Administration	P-4
67	District Adviser	Ministry of Internal Administration	UNV
68	District Adviser	Ministry of Internal Administration	UNV
69	District Adviser	Ministry of Internal Administration	UNV
70	District Adviser	Ministry of Internal Administration	UNV
71	Finance/Administration Officer	Ministry of Internal Administration	P-4
72	Adviser to Director General	Ministry for Communication and Transport	P-5
73	Land Transport Manager	Ministry for Communications and Transport	P-4
74	Director, Civil Aviation	Ministry for Communications and Transport	P-5
75	Airport Specialist	Ministry for Communications and Transport	P-4
76	Air Traffic Specialist	Ministry for Communications and Transport	P-4
77	Harbour Master	Ministry for Communications and Transport	P-4
78	Port Operations Manager	Ministry for Communications and Transport	P-5
79	Ship Pilot	Ministry for Communications and Transport	P-3
80	Adviser to Director General	Ministry for Economic Affairs and Planning	P-5
81	Non-renewable Energy Adviser	Ministry for Economic Affairs and Planning	P-5
82	Adviser, Power/Electricity	Ministry for Economic Affairs and Planning	P-4
83	Engineering Manager (Electrical)	Ministry for Economic Affairs and Planning	P-3
84	Engineering Manager (Mechanical)	Ministry for Economic Affairs and Planning	P-3
85	Finance/Administration Officer	Ministry for Economic Affairs and Planning	UNV
86	Senior Adviser	Office of the Ombudsperson	P-5
87	Senior Investigator	Office of the Ombudsperson	P-4
88	Inspector	Office of the Ombudsperson	P-3
89	Adviser to the Minister	Ministry for Water and Public Works	D-1
90	Adviser, Public Works	Ministry for Water and Public Works	P-5

	Functional title	*Office*	*Indicative level*
91	Adviser, Water and Sanitation	Ministry for Water and Public Works	P-4
92	Adviser, Roads	Ministry for Water and Public Works	P-5
93	Adviser, Housing and Urban Planning	Ministry for Water and Public Works	P-4
94	Adviser, Material Testing	Ministry for Water and Public Works	P-3
95	Adviser, Administration and Finance	Ministry for Water and Public Works	P-4
96	National Education Programme Adviser	Ministry of Education	D-1
97	Adviser for Administration and Finance	Ministry of Education	P-4
98	Finance/Administration Officer	Ministry of Agriculture and Fisheries	P-3
99	Finance/Administration Officer	Ministry of Labour and Social Affairs	P-3
100	Adviser to the Director General	Ministry of Health	P-5

UNV, United Nations Volunteers.

[a] To be identified from the International Monetary Fund under a cost-sharing arrangement.

Annex IV

Air operations costs and estimated flight hours for UNTAET and UNMISET

A. Air operations costs for UNTAET for the period from 1 July 2001 to 30 June 2002 and for UNMISET for the period from 1 July 2002 to 30 June 2003

(Thousands of United States dollars)

Type of aircraft	Hire/charter costs			Fuel and lubricants[a]			Other related costs[b]		
	UNTAET	UNMISET	Variance	UNTAET	UNMISET	Variance	UNTAET	UNMISET	Variance
Helicopters									
Military light									
Alouette III	870 804	918 324	47 520	85 536	93 555	8 019	39 000	40 500	1 500
Bell 206	1 670 400	1 670 400	-	253 901	277 704	23 803	39 000	40 500	1 500
Lama	720 000	-	(720 000)	67 584	-	(67 584)	13 000	-	(13 000)
Military, medium									
UH-1H	1 410 816	1 410 816	-	270 336	295 680	25 344	52 000	54 000	2 000
Puma[c]	6 096 000	3 408 000	(2 688 000)	460 800	201 600	(259 200)	26 000	27 000	1 000
Commercial, medium									
Bell 212 AME	2 519 760	-	(2 519 760)	124 032	-	(124 032)	13 400	-	(13 400)
Bell 412	-	5 081 640	5 081 640	-	292 740	292 740	-	8 000	8 000
MI-8 MTV	5 172 000	5 172 000	-	860 160	940 800	80 640	250 000	16 000	(234 000)
Super Puma	6 593 760	-	(6 593 760)	339 456	-	(339 456)	6 000	-	(6 000)
Commercial, medium									
MI-26	6 099 840	6 099 840	-	1 044 480	873 600	(170 880)	8 000	4 000	(4 000)
Total	**31 153 380**	**23 761 020**	**(7 392 360)**	**3 586 285**	**2 975 679**	**(530 686)**	**446 400**	**190 000**	**(256 400)**
Fixed-wing aircraft									
Light, utility									
Westwind 1124	1 034 700	-	(1 034 700)	211 200	-	(211 200)	183 950	-	(183 950)
Medium									
DHC-7-102	2 400 000	4 800 000	2 400 000	337 920	924 000	586 080	361 000	168 000	(193 000)

Type of aircraft	Hire/charter costs			Fuel and lubricants[a]			Other related costs[b]		
	UNTAET	UNMISET	Variance	UNTAET	UNMISET	Variance	UNTAET	UNMISET	Variance
Heavy									
L-100	5 784 100	-	(5 784 100)	1 094 400	-	(1 094 400)	128 300	-	(128 300)
Total	**9 218 800**	**4 800 000**	**(4 418 800)**	**1 643 520**	**924 000**	**(719 520)**	**673 250**	**168 000**	**(505 250)**

[a] At a fuel cost of $0.32 per litre for the 2001/02 period and at $0.35 per litre for the 2002/03 period.
[b] Relates to painting, preparation, positioning costs and insurance.
[c] For the six-month period from 1 July to 31 December 2002 only.

B. Flight hours for UNTAET for the period from 1 July 2001 to 30 June 2002 and for UNMISET for the period from 1 July 2002 to 30 June 2003

Type of aircraft	UNTAET				UNMISET				Variance		Purpose
	Number	Block hours (each)	Extra hours (each)	Total hours	Number	Block hours (each)	Extra hours (each)	Total hours	Aircraft	Flight hours	
Helicopters											
Military light											
Alouette III	3	33	-	1 188	3	33	-	1 188	-	-	Based in Dili, daytime reconnaissance and small-group movement of personnel throughout the mission area.
Bell 206	3	58	-	2 088	3	58	-	2 088	-	-	Based in Suai; daytime/night-time border monitoring and reconnaissance in Sector West.
Lama	1	80	-	960	-	-	-	-	(1)	(960)	
Military, medium											
UH-1H	4	44	-	2 112	4	44	-	2 112	-	-	Based in Suai; peronnel movement and resupply in Sector West.
Puma[a]	2	80	-	1 920	2	80	-	960	-	(960)	Based in Dili; personnel movement and resupply in Sector Central; rapid-response troop movement.
Commercial, medium											
Bell 212 AME	1	45	40	1 020	-	-	-	-	(1)	(1 020)	

Type of aircraft	UNTAET Number	UNTAET Block hours (each)	UNTAET Extra hours (each)	UNTAET Total hours	UNMISET Number	UNMISET Block hours (each)	UNMISET Extra hours (each)	UNMISET Total hours	Variance Aircraft	Variance Flight hours	Purpose
Bell 412	-	-	-	-	2	45	40	2 040	2	2 040	Based in Dili; daytime/night-time medical evacuation and reconnaissance.
MI-8 MTV	4	40	30	3 360	4	40	30	3 360	-	-	Based in Dili; routine passenger and cargo movement throughout the mission area.
Super Puma	2	45	40	2 040	-	-	-	-	(2)	(2 040)	
Commercial, medium											
MI-26	1	40	40	960	1	40	40	960	-	-	Based in Dili; heavy lift cargo and passenger movement, including movement of heavy engineering equipment.
Total	**21**	**465**	**150**	**15 648**	**19**	**340**	**110**	**12 708**	**(2)**	**(2 940)**	
Fixed-wing aircraft											
Light, utility											
Westwind 1124	1	25	25	600	-	-	-	-	(1)	(600)	
Medium											
DHC-7-102	1	50	50	1 200	2	50	50	2 400	1	1 200	Based in Dili; large-group movement of personnel and cargo between Dili, Baucau, Darwin and Oecussi; medical evacuations to Darwin.
Heavy											
L-100	2	50	40	2 160	-	-	-	-	(2)	(2 160)	
Total	**4**	**125**	**115**	**3 960**	**2**	**50**	**50**	**2 400**	**(2)**	**(1 560)**	

[a] For the six-month period from 1 July to 31 December 2002 only.